AMENDED IN SENATE APRIL 25, 2005 AMENDED IN SENATE MARCH 30, 2005

SENATE BILL

No. 844

Introduced by Senator Poochigian

February 22, 2005

An act to amend Sections 47605.8 and 47613 of, and to add Section 47605.4 47605.9 to, the Education Code, relating to charter schools, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

SB 844, as amended, Poochigian. Charter schools: chartering authority.

(1) The existing Charter Schools Act of 1992 permits teachers, parents, pupils, and community members to petition the governing board of a school district to approve a charter school to operate independently from the existing school district structure as a method of accomplishing, among other things, improved pupil learning.

This bill would, notwithstanding any other provision of law, permit the chancellor of a campus of the University of California, the president of a campus of the California State University,—or the governing board of a community college district, or the president of an accredited private university in California to—propose submit a request to the State Board of Education for—approval authority to approve a petition—submitted to establish a charter school within the county in which that campus—or, community college district, or private university is located.

The bill would require the chartering authority to oversee the charter school, and would specify the oversight duties of that entity. The bill would require a charter school approved pursuant to these provisions to provide its chartering authority with funding for supervisorial $SB 844 \qquad \qquad -2-$

oversight in accordance with existing law. This bill would allow the State Board of Education to revoke the authority to approve charter school petitions if the entity that was granted authority fails to comply with specified provisions. This bill would require the Superintendent of Public Instruction to conduct an investigation, as specified, of an entity that approved a petition for any charter school that has ceased operations because of the revocation of its charter petition or for one of several other specified reasons.

(2) Existing law grants authority to the State Board of Education to approve a petition for the operation of a state charter school that may operate at multiple sites throughout the state. Existing law prohibits the state board from approving such a petition unless it finds that the proposed state charter school will provide instructional services of statewide benefit that cannot be provided by a charter school operating in only one school district, or in only one county.

This bill would, notwithstanding the latter provision, allow parents and guardians to apply directly to the state board for the establishment of a state charter school at the existing schoolsite for schools meeting one or more of several specified conditions.

This bill would provide that these provisions do not prohibit an existing charter school approved by a chartering authority from being included in a petition to establish a state charter school.

(3) This bill would declare that it is to take effect immediately as an urgency statute.

Vote: ²/₃-majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section—47605.4 47605.9 is added to the 2 Education Code, to read:
- 3 47605.4.
- 4 47605.9. (a) Notwithstanding any other provision of law, the chancellor of a campus of the University of California, the
- or chancehor of a campus of the University of Camfornia, the
- president of a campus of the California State University, or the
- 7 governing board of a community college district may propose, or
- 8 the president of an accredited private university in California
- 9 may submit to the State Board of Education—for approval a
- 10 petition a request for authority to approve petitions to establish a

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charter—school schools within the county in which that entity maintains a campus.

- (b) The State Board of Education shall review each proposal request submitted pursuant to subdivision (a) and either approve or deny the proposal request. By July 1, 2006, the State Board of Education shall develop criteria to be used for the review and approval of charter school petitions requests presented to the State Board of Education pursuant to this section.
- (c) A-petition request submitted pursuant to this section, and any charter approved pursuant to this section, shall comply with the procedures and requirements contained in Chapter 1 (commencing with Section 47600), Chapter 2 (commencing with Section 47610). For the purposes of this section, all references to "governing board" in Chapter 2 (commencing with Section 47605) and Chapter 3 (commencing with Section 47605) and Chapter 3 (commencing with Section 47610) mean the chartering authorities identified in this section and all references to "school district" in those chapters mean the county in which the charter school will be located.
- (d) Each chartering authority—specified in this section approved pursuant to subdivision (b) is responsible for supervising and overseeing each charter school that it approves, and shall have all monitoring and supervising authority of a chartering agency, including, but not limited to, powers and duties set forth in Section 47607.
- (e) The State Board of Education may revoke the authority of any entity to approve and oversee charter schools granted pursuant to this section if it finds that the entity has substantially failed to provide charter schools with oversight pursuant to Section 47604.32, 47604.33, or 47607, or if it finds that the entity has substantially failed to comply with any provision of this section. Upon revocation by the State Board of Education, the affected entity shall be prohibited from approving any further charter school petitions, and any charter school for which a petition was previously approved by the affected entity shall be transferred to oversight by the State Board of Education. The State Board of Education may enter into an agreement with a third party, at the expense of the charter school, to oversee, monitor, and report on the operations of the charter school.

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(f) Each charter school approved pursuant to this section shall provide its chartering authority with funding for supervisorial oversight in accordance with subdivision (c) of Section 47613.

(g) If a charter school for which a petition is approved pursuant to this section ceases operations due to the revocation of its charter petition or for any of the reasons specified in subdivisions (a), (b), or (c) of Section 47604.5, the Superintendent shall conduct an investigation to determine if the entity that approved the petition has complied with all oversight and monitoring requirements imposed by this part on entities with authority to approve charter school petitions. The results of this investigation shall be submitted to the State Board of Education. An entity that approves a charter school petition shall not be liable for the debts or obligations of the charter school, or for claims arising from the performance of acts, errors, or omissions by the charter school, if the Superintendent finds in his or her investigation that the entity has complied with all oversight and monitoring requirements of this part, including, but not limited to, Section 47604.32 and subdivision (m) of Section 47605. Based on the findings of the Superintendent in his or her investigation, the State Board of Education may revoke the authority of the affected entity to approve charter school petitions and may determine the extent to which the affected entity shall be held liable for the debts and obligations of the charter school, or for claims arising from the performance of acts, errors, or omissions by the charter school.

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- (h) This section does not apply to the University of California, unless the Regents of the University of California adopt a resolution making it applicable.
- 31 SEC. 2. Section 47605.8 of the Education Code is amended to read:
 - 47605.8. (a) (1) A petition for the operation of a state charter school may be submitted directly to the State Board of Education, and the board shall have the authority to approve a charter for the operation of a state charter school that may operate at multiple sites throughout the state.
 - (2) The State Board of Education shall adopt regulations, pursuant to the Administrative Procedure Act (Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title

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2 of the Government Code) for the implementation of this section. Any regulations adopted pursuant to this section shall ensure that a charter school approved pursuant to this section meets all requirements otherwise imposed on charter schools pursuant to this part, except that a charter school approved pursuant to this section is not subject to the geographic and site limitations otherwise imposed on charter schools.

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- (3) This section does not prohibit an existing charter school approved by a chartering authority from being included in a petition to establish a state charter school.
- (b) The State Board of Education may not approve a petition for the operation of a state charter school under this section unless the State Board of Education finds that the proposed state charter school will provide instructional services of statewide benefit that cannot be provided by a charter school operating in only one school district, or in only one county. The finding of the board in this regard shall be made part of the public record of the board's proceedings and shall precede the approval of the charter.
- (c) Notwithstanding subdivision (b), parents or guardians, or both, may apply directly to the State Board of Education for the establishment of a state charter school and, upon approval by the state board, establish a charter school at the existing schoolsite if the school meets any of the following conditions:
- (1) The school is in the fourth or fifth consecutive year of failing to demonstrate adequate yearly progress under the federal No Child Left Behind Act of 2001 (20 U.S.C. Sec. 6301 et seq.).
- (2) The school is in the Immediate Intervention/Underperforming Schools Program and has been designated a state-monitored school pursuant to Section 52055.5.
- (3) The school is in the High Priority Schools Grant Program and has failed to meet its growth targets or to demonstrated significant growth pursuant to Section 52055.650.
- (d) The State Board of Education may, as a condition of charter petition approval, enter into an agreement with a third party, at the expense of the charter school, to oversee, monitor, and report on the operations of the charter school. The State Board of Education may prescribe the aspects of the charter school's operations to be monitored by the third party and may prescribe appropriate requirements regarding the reporting of

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information concerning the operations of the charter school to the State Board of Education.

- (e) The State Board of Education shall not be required to approve a petition for the operation of a statewide charter school, and may deny approval based on any of the reasons set forth in subdivision (b) of Section 47605.6.
- SEC. 3. Section 47613 of the Education Code is amended to read:
- 47613. (a) Except as set forth in subdivision (b), a chartering agency may charge a charter school for the actual costs of supervisorial oversight of the charter school an amount not to exceed 1 percent of the revenue of the charter school.
- (b) A chartering agency may charge a charter school for the actual costs of supervisorial oversight of the charter school an amount not to exceed 3 percent of the revenue of the charter school if the charter school is able to obtain substantially rent free facilities from the chartering agency.
- (c) A local agency that is given the responsibility for supervisorial oversight of a charter school, pursuant to paragraph (1) of subdivision (k) of Section 47605, may charge for the actual costs of supervisorial oversight, and administrative costs necessary to secure charter school funding. A charter school that is charged for costs under this subdivision may not be charged for costs pursuant to subdivision (a) or (b).
- (d) This section does not prevent the charter school from separately purchasing administrative or other services from the chartering agency or any other source.
- (e) For the purposes of this section, a chartering agency means a school district, county department of education, the University of California, the California State University, community college district, or the State Board of Education, that granted the charter to the charter school. any entity that may approve charter school petitions and oversee charter schools pursuant to this chapter.
- (f) For the purposes of this section, "revenue of the charter school" means the general purpose entitlement and categorical block grant, as defined in subdivisions (a) and (b) of Section 47632
- 38 SEC. 4. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety

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within the meaning of Article IV of the Constitution and shall go 2 into immediate effect. The facts constituting the necessity are: 3 In order for the University of California, the California State University, and a community college district to approve charter 4 schools, it is necessary for this act to take effect immediately. 5 6 7 8 **CORRECTIONS:** 9 Text - Page 3. 10